INFORMATIONAL LETTER NO.1386

DATE: May 13, 2014

TO: All Iowa Medicaid Providers

FROM: Iowa Department of Human Services, Iowa Medicaid Enterprise (IME)

RE: Reminder-Payment Error Rate Measurement (PERM) Participation

EFFECTIVE: June 1, 2014

This is a reminder that Iowa is participating in the Federal Fiscal Year 2014 PERM program as announced in <u>Informational Letter 1340</u>¹.

The PERM program measures improper payments in the Medicaid and Children's Health Insurance Program (CHIP) and produces error rates for each program. The error rates are based on reviews of the fee-for-service (FFS), managed care, and eligibility components of Medicaid and CHIP in the fiscal year (FY) under review. It is important to note the error rate is not a "fraud rate" but simply a measurement of payments made that did not meet statutory, regulatory or administrative requirements.

Beginning June 1 through August 31, 2014, Iowa Medicaid providers will be receiving medical record requests from A+ Government Solutions, Inc., the national contractor, for the Centers for Medicare and Medicaid Services (CMS). Medical records are needed to support fee-for-service Medicaid and CHIP claims to determine if the claims were correctly paid.

Providers selected for review will be identified by the National Provider Identifier (NPI) number on the paid claim. A+ Government Solutions, Inc. will contact you for a copy of the required medical records to support the paid claim. A+ Government Solutions, Inc. will verify the correct name and address and will determine how you want to receive the request (i.e., facsimile or U.S. mail) for medical records. Once you receive the request for medical records, you must submit the information electronically or in hard copy within 75 days. Be sure to follow the instructions provided in the request from A+ Government Solutions Inc.

Please note that it will be the responsibility of the provider, who is identified on the claim who received payment, to ensure that all supporting medical records, from all providers who rendered a service for which the claim payment under review was requested, is submitted in a timely manner. A+ Government Solutions, Inc. will follow up to ensure that you submit the documentation within that timeframe. The IME may contact you to facilitate the submission of the required documentation.

¹http://www.dhs.state.ia.us/uploads/1340%20Iowas%20Participation%20in%20the%20Federal%20Fiscal%20Year%202014%20PERM%20Program.pdf

For reviews that require additional supporting documentation, A+ Government Solutions, Inc. will contact you and allow 15 days for a response to the request. It is important that you cooperate with submitting all requested documentation in a timely manner because no response or insufficient documentation will count against the state as an error.

Past studies have shown that the largest cause of error in medical reviews is no documentation or insufficient documentation. Because of this, it is important that complete records be sent in a timely manner.

Failure to cooperate with the records request made by A+ Government Solutions, Inc. or a claim review resulting in an error will result in CMS directing the IME to recover the provider payment associated with the records request.

If you have any questions, please contact the IME Provider Services Unit at 1-800-338-7909, locally in Des Moines at 515-256-4609 or by email at imeproviderservices@dhs.state.ia.us.